

E7

WASHINGTON POST
20 December 1985**JACK ANDERSON and JOSEPH SPEAR**

Meese Wants to Void Bank Privacy Act

With Attorney General Edwin Meese III as point man, the Justice Department has launched an all-out assault on the Financial Privacy Act, which protects bank depositors' records from unfettered snooping by government agencies.

The rationale behind the effort to repeal the law is that something must be done to help authorities crack down on money-laundering by drug traffickers and other criminals.

But the current law already contains a provision requiring banks to file reports on deposits of \$10,000 or more, and some banks have been convicted of ignoring this antilaundering regulation.

The current law was part of the post-Watergate reforms aimed at curbing the type of government excesses that figured so prominently in President Richard M. Nixon's attempts to cover up the burglary of Democratic Party headquarters in Washington.

By coincidence, the Reagan administration's efforts to gut the privacy act come at a time when the man whose case was the model for the law has finally received an apology from the Washington bank that let the FBI look at his account as part of the Watergate cover-up.

Elias Demetracopoulos, a self-exiled Greek journalist, had been writing since 1964 about Central Intelligence Agency interference in Greek politics. In 1968, he uncovered a bombshell: the military junta that had seized power in Athens the year before was secretly aiding Nixon's election campaign with money it received from the CIA.

Demetracopoulos took his information to

Democratic National Committee Chairman Lawrence O'Brien in the Watergate office building, and later testified to Congress on the "Greek connection." Nixon's response to this Greek troublemaker was typical: he set the FBI on him.

The G-men scrutinized Demetracopoulos' tax returns, hotel bills, sources of income—and his account at Riggs National Bank in Washington. They found nothing incriminating; last year, after prodding by Demetracopoulos and two members of Congress, the FBI finally admitted its improper attempt to "get" the Greek exile.

But at the time, the FBI's access to Demetracopoulos' bank account had been instrumental in spiking the first congressional investigation of Watergate. The ammunition was a \$150 expense check he received for arranging a speaking engagement for then-Rep. Wright Patman (D-Tex.), whose Banking Committee was conducting the Watergate investigation.

The White House leaked this "link" to members of the committee, along with an FBI file that falsely identified Demetracopoulos as a communist who was "dangerous" to national security. This was enough to give Patman's opponents on the Banking Committee a majority against seeking subpoena power, and the first Watergate investigation died.

In a recent letter from Riggs Vice Chairman Thomas Wren, Demetracopoulos was told: "We could not rule out the possibility that a bank employee . . . might have made an unauthorized disclosure of this information to the FBI. If such an unauthorized disclosure was made, we would like to extend to you our most sincere apologies."